

# IRS News Release

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## **Most Taxpayers Eligible to File Their Taxes Online for Free**

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WASHINGTON — The Internal Revenue Service and its private-sector partners today announced the Jan. 11 opening of this year's [Free File program](#). The free tax preparation and electronic filing initiative begins its sixth year with high customer satisfaction ratings.

### **Most Taxpayers Eligible**

Seven out of 10 taxpayers — 97 million filers — qualify for Free File. Taxpayers must have an adjusted gross income of \$54,000 or less to be eligible.

This year taxpayers can choose from 19 tax preparation software companies. The program is operated by the IRS and the Free File Alliance. The Alliance is a consortium of tax preparation software companies. Each company sets its own criteria for who can use the service.

"Free File gives taxpayers an opportunity to use private-sector tax preparation programs for free," said Acting Commissioner Linda E. Stiff. "The IRS encourages taxpayers to take advantage of this valuable program from the IRS and the Free File Alliance."

### **High Customer Satisfaction**

Taxpayers consistently give high marks to Free File in satisfaction surveys. According to Russell Research, 98 percent said they would recommend Free File to a friend or family member. The results also found that 95 percent intend to use Free File again this year.

"The [Free File Alliance](#) is an innovative one-of-a-kind partnership with the IRS that offers free federal tax services to millions of low and moderate income Americans," said Free File Alliance Executive Director Tim Hugo. "We have worked hard to strengthen Free File every year and incorporate user-friendly consumer protections, including critical privacy protections, into the program. We are proud that the Free File initiative has a tremendous track record of success, with steady growth in use and taxpayer surveys that indicate a nearly 100 percent satisfaction rate."

### **Accessing the Real Free File Program**

The only way taxpayers can access the authentic IRS Free File program is through [irs.gov](http://irs.gov). That includes both new and repeat users. Otherwise, the e-file provider might

charge them a fee. Also, having taxpayers type [www.irs.gov](http://www.irs.gov) in their browser is the only way to ensure they are accessing the legitimate IRS Free File program.

## **This Year's Features**

Here are the highlights of this year's program:

- Two companies offer [Free File in Spanish](#).
- Some Alliance members are offering online tax preparation and filing of state returns for free. All Alliance members' Web sites display whether this service is available and the associated fees, if any.
- Taxpayers can use Free File to prepare the [Earned Income Tax Credit](#) (EITC) Schedule for free.
- Taxpayers can use Free File to file a [Form 4868](#), Application for Automatic Extension of Time to File.

## **Taxpayers Affected by Recent AMT Legislation**

Most taxpayers will be able to use the Free File program immediately. However, because of recent Alternative Minimum Tax (AMT) legislation, as many as 13.5 million taxpayers will need to wait until Feb. 11 before they file their return. The affected taxpayers are people who use one of five forms.

Returns that include the following forms should not be filed until Feb. 11, 2008:

- [Form 8863](#), Education Credits.
- [Form 5695](#), Residential Energy Credits.
- [Schedule 2, Form 1040A](#), Child and Dependent Care Expenses for Form 1040A Filers.
- [Form 8396](#), Mortgage Interest Credit.
- [Form 8859](#), District of Columbia First-Time Homebuyer Credit.

If returns with these forms are e-filed before Feb. 11, they will not be accepted.

The February date allows the IRS enough time to update and test its systems to accommodate the changes without major disruptions to other operations related to the tax season. See [IRS News Release 2007-209](#) and these [questions and answers](#) for more information.

## **Free File Alliance**

The Free File Alliance selects its own membership, and all members must meet the IRS' high standards for security and privacy. The IRS does not endorse any individual Free File Alliance company. While the IRS manages the content of the Free File pages

accessible on IRS.gov, it does not retain any taxpayer information entered on the Free File site.

Nearly 3.9 million taxpayers used Free File last year. Free File debuted in 2003 with nearly 2.8 million users.

**Related Items:**

- [Free File Home](#)
- Free File Press Kit
- [1040 Central](#)